



SCOTT WALKER
OFFICE OF THE GOVERNOR
STATE OF WISCONSIN

P.O. Box 7863
MADISON, WI 53707

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The Honorable Penny Pritzker
Secretary, U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, D.C. 20230

Dear Secretary Pritzker:

The application prepared by the Redevelopment Authority of the City of Milwaukee (RACM), co-led by the Milwaukee 7 Next Generation Manufacturing Council, for the *Investing in Manufacturing Community Partnership* (IMCP) program has my strong support.

You will find throughout the application that Wisconsin is proud of its manufacturing history. Technological advancements made by Wisconsin manufacturers have kept Wisconsin at the forefront of industry trends, in both productivity and sustainability. A fundamental part of Wisconsin's manufacturing performance is an integrated supply chain that combines ingenuity, versatility and responsiveness.

Wisconsin's manufacturing industry has several advantages. Manufacturing in Wisconsin comprises 17% of the state's entire employment base with over 9,400 manufacturers employing over 450,000 workers. This is more than six times the national average of the number of workers in manufacturing.

The industry annually produces \$50 billion worth of output which accounts for over 19% of the state's gross domestic product. Annual expenditures by the manufacturing industry include more than \$21 billion on payroll, over \$91 billion on materials and more than \$4 billion on capital expenditures.

Manufacturers in Wisconsin have a wealth of resources on which to rely. We have transformed our tax structure as it relates to manufacturing by dramatically reducing tax liability for manufacturers through the Manufacturing & Agriculture Production Tax Credit. Our higher educational centers of learning, including the University of Wisconsin System with its 26 institutions, 20 complementing private universities, and 16 technical colleges are consistently supporting our manufacturing base.

In addition, the state's unique geography and infrastructure allows our manufacturers access to 23 ports, 3 international airports, a reliable interstate highway system, and close proximity to a national epicenter for rail. These benefits have led to a 16% growth rate of Wisconsin's exports

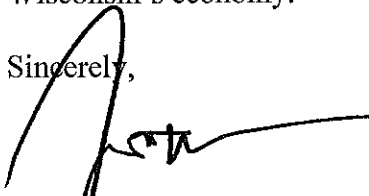
exceeding that of the U.S. total of 10.5% between 2010 and 2011. Manufacturing goods account for 85% of our state's exports.

The State of Wisconsin has invested greatly in our largest industry sector—manufacturing. In the Milwaukee region, this is evidenced through the Wisconsin Economic Development Corporation's investment strategy in specific company projects, export assistance, entrepreneurial seed capital, targeted sector deployment, and regional economic development investment; the Wisconsin Department of Workforce Development's Fast Forward training grants; the Wisconsin Department of Transportation's airport, freight rail, harbor assistance, and highway assistance grants; and the Wisconsin Housing and Economic Development Authority's most recent financial incentive in Transform Milwaukee, to name a few.

The Milwaukee region will need to increase resources into nurturing driver industries through increased supply chain development, increase the utilization of new technologies, increase commercialization of products and services, develop regional purchasing and management cooperatives for driver industries, enhance exports through global engagement and minimize the manufacturing skills gap to remain competitive. It is anticipated that receiving an IMCP designation and related support will assist us in enhancing our manufacturing sector, which is heavily concentrated in the Milwaukee region and southeastern Wisconsin.

Designating the Milwaukee region as an IMCP "Manufacturing Community" aligns with Wisconsin's efforts to create a business climate that supports job creation in manufacturing industries. RACM's application brings together key stakeholders to target locally significant industry sectors to support broad-based prosperity for the Milwaukee region and enhance Wisconsin's economy.

Sincerely,



Scott Walker
Governor